

## **FISCAL NOTE**

### **HB 2877 - SB 3037**

February 7, 2008

**SUMMARY OF BILL:** Requires an ignition interlock device to be installed on each motor vehicle driven by a DUI offender. Requires individuals convicted of driving under the influence to spend a minimum of seven days in confinement if their blood alcohol content is 0.15% or higher. Currently, such offenders are required to spend a minimum of 48 hours in confinement if their blood alcohol content is up to 0.20%; those with a blood alcohol content of 0.20% or above must spend a minimum of seven days in confinement. Reduces the maximum blood alcohol concentration level requirement from .08 percent to .02 percent for persons with one or more prior DUI convictions. Authorizes the Department of Safety (DOS) to revoke the license of any person upon determination that the person drove or was in actual physical control of a motor vehicle while the alcohol concentration in the person's blood or breath was .08% or more, and to revoke such person's license for refusal to take a blood-alcohol test when requested by law enforcement. Adds multiple new rules and regulations, and administrative procedures for the DOS and law enforcement for implementing the license revocation and reinstatement process as proposed.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Net Impact - \$1,602,500**

**Increase State Expenditures – Net Impact - \$200,500 / One-Time  
Net Impact - \$2,441,900 / Recurring**

**Increase Local Revenue – Net Impact - Exceeds \$1,237,800**

**Increase Local Expenditures\* - Net Impact - Exceeds \$2,089,800**

Assumptions regarding interlocking devices:

- Approximately 21,000 persons will be required to have an ignition interlock device installed on their vehicles before being reinstated and receiving a restricted driver license.
- Approximately 15.9% (3,339) will be declared indigent and will not be responsible for paying all costs associated with having an interlock device installed on the appropriate motor vehicles. However, the bill is

not clear who will pay to install such interlock device. It is assumed that a tax-exempt entity will make such purchases for these individuals.

- Any decrease in revenue from not collecting reinstatement fees and restricted driver license fees from persons choosing not to pay for ignition interlock devices is estimated to be not significant.
- A one-time increase in state expenditures of \$10,000 for computer system changes.
- An increase in state revenue of approximately \$927,000 due to increased sales and use tax collections on purchases of ignition interlock devices.
- An increase in local government revenue of approximately \$298,000 due to increased sales and use tax collections at an average local option tax rate of 2.25% on purchases of ignition interlock devices.

Assumptions regarding minimum seven day confinement:

- 2,000 DUI convictions requiring the minimum seven day sentence.
- Five additional days of incarceration per conviction.
- A weighted-average cost of \$37.18 per day to incarcerate offenders.
- The increase to local government expenditures for additional incarceration costs is estimated to be \$371,800 (2,000 convictions x 5 additional days x \$37.18 = \$371,800) per year.
- Any additional administrative cost can be absorbed utilizing existing local government resources.

Assumptions regarding repeat offenders of DUI:

- According to the Department of Safety (DOS), there were 7,800 DUI convictions in 2006, under the current law of .08% or more, that were posted to individuals with prior DUI offenses.
- 30% increase in convictions (or additional 2,340) for individuals registering less than .08%, but more than .02%.
- According to DOS, the Information Services Division would require one additional employee for data entry of additional convictions. The recurring increase to state expenditures for the one additional position is estimated to be \$35,300 per year (salary, benefits, supplies, communications, etc.). One-time costs associated with this position are estimated to be \$3,500 (computer and software).
- Law enforcement officers would require legal briefing. Such increase to state and local government expenditures are estimated to be not significant.
- Second-time offenders are estimated to be serving an average of fourteen (14) days of incarceration under current law.
- Based on weighted-average, local governments receive approximately \$37.18 per inmate per day from the state to house prisoners.

- The increase to local government expenditures is estimated to be \$1,218,000 (2,340 additional convictions x 14 days x \$37.18 per day = \$1,218,016) per year.
- The average fine for DUI is estimated to be \$450.
- 100% of DUI fine revenue goes to local governments.
- 25% will not pay fine due to indigence.
- The increase to local government revenue is estimated to be \$789,800 (2,340 convictions x \$450 x 75% = \$789,750) per year.
- The cost for such offenders to have driver licenses reinstated is estimated to be \$100.
- 25% will not pay reinstatement fee due to indigence.
- The increase to state revenue is estimated to exceed \$175,500 (2,340 additional convictions x 75% x \$100 = \$175,500) per year.

Assumptions regarding administrative revocation of licenses:

- According to the Department of Safety, and based on current DUI statistics, the number of additional cases and hearings would number in the thousands, and as a result, the number of documents, notices, suspensions, revocations, issuances of restricted driver licenses and photo identifications, and reinstatements would also be in the thousands. Therefore, the department would require significant additional resources to accomplish the provisions of this bill.
- 20 Driver License Examiners, 5 Safety Examiners, 4 Administrative Secretaries, 2 Safety Examiner Supervisors, 2 Administrative Service Assistants, 2 Driver Control Managers (35 positions total). The recurring increase to state expenditures for these positions is estimated to be \$2,087,000 (salaries, benefits, supplies, operational expenses, etc.). One-time state expenditures associated with creating these additional positions is estimated to be \$187,000 (computers, software, communications, office space, supplies, etc.).
- The net increase to state revenue resulting from additional administrative fees charged, various fines, the issuance of restricted driver licenses, the issuance of photo identifications, reinstatement fees, and others, is difficult to forecast because of multiple unknown factors, but is reasonable estimated to be \$500,000 per year.
- According to the Office of Attorney General, two additional attorney positions and one paralegal position would be required because they would be legal counsel for the DOS in the numerous additional cases which are anticipated. The recurring increase to state expenditures for these three positions is estimated to be \$319,600 (salary, benefits, supplies, operational expenses, additional costs for law enforcement to testify, etc.).
- There will be a significant increase to local government expenditures as a result of additional rules, regulations, and procedures being required

of law enforcement, law enforcement testifying in a significant number of additional cases, and for additional incarceration costs for any additional convictions. Such increase is difficult to predict because of multiple unknown factors, but such increase is reasonably estimated to exceed \$500,000 per year statewide.

- 100% of fine revenue attributable to DUI is apportioned to local governments.
- The increase to local government revenue for additional DUI fines which would result from any additional DUI convictions is difficult to predict, but is reasonably estimated to exceed \$150,000 per year.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc